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SOURCE Argentinisches Tageblatt.CORRUPTION IN THE GERMAN DEMOCRATIC REPUBLIC

Kurt Zornig

"The power to govern is in the hands of the working people," according to the preamble to the Labor Laws of the German Democratic Republic. Apparently this statement has been interpreted arbitrarily by some functionaries. The 1950 control and auditing report of Land Sachsen-Anhalt proves that the thoroughly trained, dyed-in-the-wool, Communist employees of the administration are convinced that the state's money is also their own. In 1950, the control and auditing division's main referat for public bodies under the jurisdiction of the Sachsen-Anhalt Finance Ministry conducted extensive audits of the Land budget, and of Kreis and community funds, children's homes, theaters, hospitals, people's institutes of advanced education, municipal administrations and communities. The subsequent 26-page report certainly must not have been intended for public knowledge.

Embezzlement, tax evasions, violations of budget regulations, unlicensed funds, black-market purchases, payment of excessive fees, exorbitant expenditures -- these are the offenses which occurred most frequently. The report suggests that the municipal and community councils conduct their administration on a more popular level and that matters of finance be given a broader mass appeal. Of the 56 cases processed, 25 dealt with embezzlement.

For example: The Referat for Public Welfare and the Care of Seriously Injured Persons at the Ministry for Public Health and Labor (Halle/Saale) reports misappropriations (embezzlement, theft, per procura) by an employee of the Ministry amounting to approximately 30,000 Deutsche marks. The employee has been arrested.

The FDJ (Free German Youth) and the Office of Popular Education, Dessau, reported misappropriation of 15,000 Deutsche marks by the cashier of the FDJ. Sachsen-Anhalt Sanatorium and Convalescent Home, Altscherbitz reported embezzlement of approximately 85,000 Deutsche marks. The Bureau of Water,

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- 1 -

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Magdeburg, reported considerable embezzlement. The Land Sanatorium and Convalescent Home, Haldensleben, reported embezzlement of 24,000 Deutsche marks, and the People's Institute of Higher Education, Osterburg, reported embezzlement and misappropriation. Also, the People's Institute of Higher Education, Sangerhausen, reported the embezzlement of about 8,000 Deutsche marks.

It is evident that, true to the letter of the Labor Law, a new relationship has developed between the workman and his work. The workers no longer let themselves be exploited; they prefer to do their own exploiting. This is also apparent in connection with tax evasions. The Land Office for Building Statistics in Koethen withheld 20,000 Deutsche marks in wage taxes. The financial administrator of the community of Jessnitz falsified fundamental trade-tax data for the benefit of persons subject to payment of the tax. The community of Gerbstedt, without valid reason, granted lengthy extensions of trade-tax payments totaling 44,000 Deutsche marks.

Among violations of budget regulations, the control and audit report lists a large variety of individual cases, such as fictitious entries, inadmissible withholding of receipts in connection with expenditures, illicit use of allocated funds, waivers of claim to outstanding income. Violations of budget regulations make up 50 percent of the cases reported. For example, the administration of the industrial kindergarten operated by the Land government in Halle is accused of having tampered with and falsified food ration cards. The chief official of the Department of Labor in Quedlinburg is accused of "extremely poor management and of carrying unlicensed funds." For many months this official used public funds for private purposes and repaid the money in installments. These funds had been allocated for unemployment assistance and expenditures for recruiting personnel for the Sachsen ore mines. The necessary cash vouchers had been falsified by this official and by the chief of administration. Serious violations of public finance were also discovered in Sachsen-Anhalt's Institute of Social Insurance in Magdeburg. Incidentally, Magdeburg has shown particular verve in the diversion of public funds, in furnishing shady guarantees, and in setting up uncleared funds. As a result, the Oberbuergermeister, key employees, and a number of Stadtraete (municipal councilors) have been arrested, while the city chamberlain has fled. Things were just as disorderly in the Kreis administration of Zeitz, where the Landrat has been arrested.

In conclusion, the report states that the administration of Landkreis Zerbst has suggested that technical education be continued, apparently because the proletarian type of administration had had a poor start. The chamber of manual trades in Halle is accused of having distinguished itself by its "wasteful economy, excessive expenditures for entertainment, mostly in the form of alcoholic refreshments, cigarettes, and presents."

The Society for German-Soviet Friendship in Magdeburg is criticized for buying luxury items with the subsidies granted it. The report suggests that undoubtedly the society made these purchases in West Berlin, like many other administrative agencies, as, for example, the community of Greppin and the city of Haldensleben. The community of Wolfen spent 400,000 Deutsche marks for this purpose, and most of the numerous illegal funds are used for such purchases.

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- 2 -

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